



State of Utah

JON M. HUNTSMAN, JR.
Governor

GARY HERBERT
Lieutenant Governor

Department of Environmental Quality

Richard W. Sprott
Executive Director

DIVISION OF DRINKING WATER
Kenneth H. Bousfield, P.E.
Director

Drinking Water Board
Anne Erickson, Ed.D., *Chair*
Myron Bateman, *Vice-Chair*
Ken Bassett
Daniel Fleming
Jay Franson, P.E.
Helen Graber, Ph.D.
Paul Hansen, P.E.
Petra Rust
Richard W. Sprott
David K. Stevens, Ph.D.
Ron Thompson
Kenneth H. Bousfield, P.E.
Executive Secretary

MINUTES OF THE DRINKING WATER BOARD MEETING HELD ON SEPTEMBER 10, 2008 IN SALT LAKE CITY, UTAH

Board Members Present

Anne Erickson, Ed.D., Chair
Danny Fleming
Jay Franson
Helen Graber, Ph.D.
Paul Hansen
Petra Rust
Rick Sprott
David Stevens, Ph.D.

Board Members Excused

Myron Bateman, Vice Chair
Ken Bassett
Ron Thompson

Staff

Ken Bousfield
Ken Wilde
Kate Johnson

Guests

Doug Nielsen, Sunrise Engineering
Steve Hansen, Sunrise Engineering
Lynn Wall, Wall Engineering
Byron Davis, Mayor, Wales Town
Larry Shane, Earthfax Engineering
Dale Pierson, Rural Water Association
Clyde Watkins, Rural Water Association
Charles Jeffs, Rural Water Association
Chuck Dickison, Mayor, Town of Manila
Dellene Alvis, Town of Manila
Lenita Steinaker, Town of Manila

Staff Continued

Rich Peterson
Bill Birkes
Linda Matulich

ITEM 1 – CALL TO ORDER

The Drinking Water Board meeting convened in Salt Lake City, Utah with Chairman Erickson presiding. The meeting was called to order at 12:05 p.m.

ITEM 2 – ROLL CALL

Chairman Erickson asked Ken Bousfield to call roll of the Board members. The roll call showed there were 7 members present.

ITEM 3 – INTRODUCTIONS

Chairman Erickson welcomed everyone and asked the guests to introduce themselves.

ITEM 4 – APPROVAL OF MINUTES – JULY 11, 2008 AND AUGUST 26, 2008

July 11, 2008

Chairman Erickson stated a motion was in order to approve the July 11, 2008 minutes.

Paul Hansen moved to approve the July 11, 2008 minutes with the following changes: On page 1 in the Board Members Present list - change Paul “Franson” to Paul “Hansen”. On page 5 under d) Kane County WCD – Swain’s Creek - in the first line of the motion - change the word “cope” with the word “Scope”. On page 6 under f) CICWCD Phase II - in the second line of the motion – change the word “eater” to “Water”.

Danny Fleming seconded.

**CARRIED
(Unanimous)**

August 26, 2008

Chairman Erickson stated a motion was in order to approve the August 26, 2008 minutes.

Jay Franson moved to approve the August 26, 2008 minutes with one change: Add Paul Hansen to the Board Members Present list.

Petra Rust seconded.

**CARRIED
(Unanimous)**

ITEM 5 - SRF/CONSERVATION COMMITTEE REPORT

1) Status Report

David Stevens joined the Board meeting.

Ken Wilde reported the Board has \$1.2 million in the State loan fund as of July 31, 2008, of which about \$1 million is in the State Hardship Funds. The Board receives about \$350,000 per month from state sales tax for about 10 months each year. Ken mentioned the Board will receive about \$4.2 million for financial assistance over the next 12 months.

Ken Wilde mentioned staff will be closing loans for: 1) Garden City will close on September 17, 2008, and 2) the Town of Springdale will close in December. Dates haven’t been set to close the other loans yet. The Town of Henrieville’s emergency grant was completed in February 2008.

Ken Wilde mentioned the Federal loan fund shows a negative balance of \$580,000. However, we have received the 2008 Federal SRF Grant of over \$8,000,000. The program has sufficient money to work with now.

Ken Wilde mentioned Mountain Regional's project closed on September 4, 2008 just over \$3,000,000, and Woods Cross \$5,600,000 project closed yesterday, September 9, 2008. Staff has a request before the Board today to deauthorize the Twin Creeks loan.

2) SRF Applications

a) Elberta Water Company – Michael Grange

Ken Wilde reported Elberta Water Company is requesting an \$18,000 planning advance to prepare a master plan and performance study. The SRF Conservation Committee recommends that the Board authorize an \$18,000 planning loan at 0.0% for 5 years.

Discussion followed.

Jay Franson moved the Board authorize an \$18,000 planning loan at 0.0% interest for 5 years to the Elberta Water Company.

Paul Hansen seconded.

**CARRIED
(Unanimous)**

b) Loa Town – Rich Peterson

Rich Peterson reported Loa Town is in need of a waterline replacement project, which is costing the town quite a bit of money to maintain each year. The total cost of the project is \$38,000. Loa Town will be able to contribute \$1,000. Their MAGI is 90% of the state and their water bill would be 0.9% of their local MAGI. Loa Town does not qualify for a grant. The SRF Conservation Committee's recommendation is a \$37,000 construction loan at 2.21% for 10 years. The loan would be contingent on resolving the appropriate concerns in their compliance report.

Larry Shane, Earthfax Engineering, representing Loa Town, addressed the Board.

Discussion followed.

Paul Hansen moved the Board authorize a \$37,000 construction loan at 2.21% interest for 10 years to Loa Town contingent on resolving the appropriate concerns on their compliance report. The loan origination fee would be \$370.

Petra Rust seconded.

**CARRIED
(Unanimous)**

c) Manila Town – Rich Peterson

Rich Peterson reported the Town of Manila recently merged with Daggett County Service District. The Town of Manila is in need of a SCADA system and a master plan so they can resolve some issues. The cost of the SCADA system is \$68,000, and the cost of the master plan study and contingency is \$32,000. Manila's MAGI is 83%, and their water bill is about \$34.71 per month (about 1.36% of the local MAGI). The SRF Conservation Committee recommends the Board authorize a \$100,000 grant contingent on resolving the appropriate concerns on their compliance report, and their efforts in regionalization.

Mayor Chuck Dickison, Town of Manila, and Doug Nielsen and Steve Hansen, Sunrise Engineering, were available to answer any questions from the Board.

Mayor Dickison addressed the Board.

Discussion followed.

Danny Fleming moved the Board authorize a \$100,000 grant contingent on resolving the appropriate concerns on their compliance report.

Petra Rust seconded.

**CARRIED
(Unanimous)**

d) Wales Town – Michael Grange

Ken Wilde reported the Board previously authorized a Planning Advance of \$40,000 at 0% interest to the Town of Wales. The Town of Wales is requesting \$460,000 for the construction of a new well, new well housing and the transmission line to convey the water in to the system. Their MAGI is 77.7% of the State MAGI which qualifies Wales Town for a hardship grant. The interest rate was calculated at 3.11%. Ken reviewed a couple of other alternatives that could be used that may work.

Mayor Byron Davis, Wales Town, and Lynn Wall, Wall Engineering, were available for any questions from the Board.

Lynn Wall addressed the Board.

Discussion followed.

Jay Franson moved the Board authorize up to \$500,000 in financial assistance to the Town of Wales for a \$250,000 construction loan at 0% interest for 30 years and \$250,000 in a grant. The existing \$40,000 planning loan will be rolled into the construction loan. Any savings on the project will be divided equally between the loan and the grant.

Helen Graber seconded.

**CARRIED
(Unanimous)**

e) Twin Creeks SSD – Ken Wilde

Ken Wilde reported that the Board helped fix the Billy Bethers Water System a few years ago. Twin Creeks SSD was one of Billy Bethers neighbors, and they agreed to the system if the Board funded their project. Twin Creeks SSD has had changes in management, while they changed some of their water rights from agricultural to municipal so they could drill a well and increase their capacity. Twin Creeks decided to not use the Board's grant and loan.

Discussion followed.

Paul Hansen moved the Board deauthorize all of the funds that were previously authorized to the Twin Creeks SSD so the funds could be used for other projects.

Petra Rust seconded.

**CARRIED
(Unanimous)**

ITEM 6 – PROPOSED RULE CHANGES TO R309-500 THROUGH R309-550

Bill Birkes mentioned Mike Georgeson has completed most of the review work on the R309-500 through R309-550 Engineering Rules. Mike found numerous reference errors.

Bill Birkes requested the Board authorize staff to file a Notice of Non-Substantive Rule Change for Non-Substantive changes to each one of the rules.

Discussion followed.

Jay Franson moved the Board authorize staff to file a Notice of Non-Substantive Rule Change for each rule with the Division of Administrative Rules.

David Stevens seconded.

**CARRIED
(Unanimous)**

ITEM 7 – FINAL ADOPTION OF THE GROUND WATER DEVELOPMENT, WELL GROUT
RULE R309-515-6(3), (6) AND (12)

Bill Birkes reported Mike Georgeson presented some proposed amendments to the Well Grout Rule R309-515-6(3), (6) and (12) at the July 11, 2008 Drinking Water Board meeting. This Rule deals with the grouting of wells and the installation of pitless adapters. The two filings were made, and published as part of the Utah Bulletin of August 1, 2008. Staff addressed the comments they received on the Rule before submitting it to be published for 30 days.

Mike worked with the Utah Ground Water Association. The Utah Ground Water Association is made up primarily of well drillers throughout the State of Utah. Mike made some changes to the Rule for review at the July 11, 2008 Board meeting. Staff hasn't received any more comments on the Rule.

Bill mentioned staff is recommending the Board set an effective date of September 10, 2008 or in the future. The date the Rule has to become effective has to be before November 29, 2008. Bill said a non-substantive change to the Rule will need to be made after the rule is approved by the Board.

Discussion followed.

Rick Sprott moved the Board approve final adoption of the Ground Water Development Well Grout Rules R309-515-6(3), (6) and (12) effective September 10, 2008.

Helen Graber seconded.

**CARRIED
(Unanimous)**

ITEM 8 – IPS VIOLATION POINTS

Ken Bousfield reviewed some background information on the two Improvement Priority System Rule (IPS) documents that were in the packet, covering recommended changes to the IPS Rule Implementation Policy.

Ken requested that the Board change two items in the Policy: 1) tie grandfather issues to exceptions to the Rule in the policy, and cite reference to the Rule on enabling exceptions and (2) tie the issue based approach to only the physical facilities and count each monitoring and/or quality violation for each occurrence.

Staff is recommending the Board approve the revisions to the IPS Rule and the IPS Implementation Policy.

Discussion followed.

Jay Franson moved the Board approve the staff recommendations that have been explained by Ken Bousfield.

Petra Rust seconded.

**CARRIED
(Unanimous)**

ITEM 9 – CHAIRMAN'S REPORT

Anne Erickson reported on the workshop held at the Rural Water Association of Utah's Northern Conference in Logan, Utah. The conference was held on August 28, 2008. There were 40 – 50 people at the workshop. The conference was very well attended. There was a lot of good feed back.

Discussion followed.

Petra Rust requested that a copy of the report of the meeting be furnished to the Board members.

ITEM 10 – DIRECTORS REPORT

Dale Pierson gave a brief report on what the Rural Water Association of Utah and the Division of Drinking Water do in helping each other out.

Dale updated the Board on what Curt Ludvigson does for the Rural Water Association. Clyde Watkins and Chuck Jeffs reported on what they do with the Rural Water Association.

Dale Pierson thanked the Board and Division staff.

New Rules:

1) Distribution System Evaluations

Ken Bousfield mentioned that he was thinking about two new rules and wanted the Boards input on them. He explained that it would take time and involvement from Division partners, and he didn't want to expend the resources if it was something the Board did not want to do.

The first rule involved a professional engineer certification for each system expansion stating that the expansion could be adequately served without adversely affecting the parent systems.

The Board indicated they would be supportive of the rule.

The second rule involved a third party certification of well grout witnessing. Ken Bousfield explained that a fee is currently charged by the Division of Drinking Water (DDW) staff for such witnessing, but the real value is staff time over cost reimbursement. He explained that plan review and system training and counsel were a better use of staff's time.

The Board concurred with the intent of this rule change as well.

Rick Sprott left the Board meeting.

Discussion followed.

Ken Bousfield thanked staff for their hard work at the last Board meeting when he and Ken Wilde were unable to attend the meeting.

2) Well Grout Witnessing

Ken Bousfield mentioned traditionally staff has been doing the well grout witnessing. The well grout witnesses take a fair amount of time to complete.

Ken Bousfield mentioned the possibility of having a certified third party witness the well grouting. The Board discussed some options that staff could try on having a certified third party witness the well grouting. Staff will report back to the Board their findings.

Discussion followed.

Rick Sprott returned to the Board meeting.

ITEM 11 – NEXT BOARD MEETING

Chairman Erickson reported the next Board meeting will be on November 12, 2008 at Noon. The meeting will be held at 168 North 1950 West, Room 101, Salt Lake City, Utah.

ITEM 12 – OTHER

Anne Erickson discussed the meetings the Board, Division staff and Rural Water staff held together at the Rural Water Association's Annual Conference in St. George and the Northern Conference held in Layton.

Discussion was held on the new Board meeting days for 2009.

Anne Erickson thanked the Board for the great work they do.

ITEM 13 – ADJOURN

Chairman Erickson stated a motion to adjourn the Board meeting at 2:25 p.m. was in order.

A motion was made to adjourn the Drinking Water Board meeting.

The motion was seconded.

Linda Matulich
Recording Secretary